

## Message Text

UNCLASSIFIED POSS DUPE

PAGE 01 TAIPEI 00643 050922Z

53

ACTION EA-10

INFO OCT-01 EB-07 ISO-00 /018 W  
----- 033377

R 050850Z FEB 75

FM AMEMBASSY TAIPEI

TO USDOC WASHDC

INFO SECSTATE WASHDC 4161

UNCLAS TAIPEI 0643

E.O. 11652: N/A

TAGS: BFOL, TW

SUBJECT: INVESTMENT OPPORTUNITY: SAN HAO ELECTRIC &  
MACHINERY WORKS CORPORATION

1. SAN HAO ELECTRIC & MACHINERY WORKS CORPORATION (WTD IN PREPARATION), ONE OF LARGEST TRANSFORMER MANUFACTURERS IN TAIWAN WITH ANNUAL SALES OF US\$2.5 MILLION, SEEKS TECHNICAL COOPERATION OR A JOINT VENTURE ARRANGEMENT WITH U.S. FIRMS FOR THE MANUFACTURE OF TRANSFORMERS 20 MVA OR UP FOR DOMESTIC AND EXPORT MARKETS.

2. THE FIRM ONCE WAS ENGAGED IN TECHNICAL COOPERATION WITH OSAKA ELECTRIC COMPANY, JAPAN AND NOW CONTEMPLATES TO EXPAND ITS EXISTING FACILITIES WITH MODERN U.S. TECHNICAL KNOWHOW AND EQUIPMENT. THE PROJECT SITE IS LOCATED IN GOVERNMENT PLANNED INDUSTRIAL ZONE, ONLY FOUR MILES FROM TAIPEI CITY. U.S.\$1.5 MILLION IS SLATED FOR PLANT CONSTRUCTION EXPENSES. THE PROJECTED PLANT IS EXPECTED TO ACHIEVE AN ANNUAL OUTPUT OF 2 MILLION KVA OF LARGE POWER TRANSFORMERS, 70 PERCENT FOR EXPORT AND REST FOR LOCAL MARKET. POTENTIAL U.S. COLLABORATORS ARE SOUGHT BY SAN HAO TO BUILD THE NEW PLANT UNDER TECHNICAL COOPERATION AGREEMENT OR JOINT VENTURE ARRANGEMENT WITH A MAXIMUM PERCENTAGE OF 50 PERCENT OFFERED AS EQUITY. EQUIPMENT AND IMPORTANT RAW MATERIALS WILL BE ENTIRELY PURCHASED FROM U.S. FOR THE PROJECTED PLANT.

3. SINCE THE FIRM PLANS TO START OFF ITS EXPANSION  
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PROJECT SHORTLY, DEPARTMENT ASSISTANCE IS REQUESTED TO DIRECT INQUIRIES ASAP FROM INTERESTED U.S. FIRMS TO MR.

SIMON C. K. KAO, EXECUTIVE VICE PRESIDENT, SAN HAO  
ELECTRIC & MACHINERY WORKS CORPORATION, 64 KAI FENG  
STREET, SEC. 2, TAIPEI, TAIWAN, CABLE ADDRESS: "SANHAOELEC"  
TAIPEI.  
UNGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 APR 2003 by RuthemTJ>; APPROVED <20 JAN 2004 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
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**Subject:** INVESTMENT OPPORTUNITY: SAN HAO ELECTRIC & MACHINERY WORKS CORPORATION  
**TAGS:** BFOL, TW  
**To:** COM  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006